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Addendum

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President's summary

Investment for development: Reforming the international investment regime
(Agenda item 7)

1. The session discussed the findings and proposals of the *World Investment Report 2015*. As requested in the Addis Ababa Action Agenda of the Third International Conference on Financing for Development, the sixty-second session of the Board was the first intergovernmental meeting to discuss investment agreements.

2. The Secretary-General of UNCTAD opened the meeting. The Director of the Division on Investment and Enterprise of UNCTAD reported on recent trends in foreign direct investment and investment policies, and the key themes of the Report.

3. The panellists, representing stakeholders from the public and private sectors, outlined their countries' or stakeholders' approaches towards reforming international investment agreements (IIAs). These approaches mostly reflected policy options formulated by UNCTAD, for example, refining key clauses of such agreements, strengthening investment promotion, ensuring responsible investment and improving investment dispute settlement. The latter could be achieved, for example, by creating an international investment court or strengthening alternative dispute resolution.

4. Some panellists highlighted the importance of national legal frameworks to promote and protect investments, while others suggested alternative approaches, such as avoiding investor–State dispute settlement. One panellist proposed an institutional mechanism detached from specific investment treaties to resolve conflicts with the participation of affected or interested stakeholders. Several panellists stressed the importance of involving the private sector in reforming the IIA system, noting that the private sector could play a crucial role in achieving sustainable development goals and that IIAs were an important tool for protecting and attracting investment.

5. Many delegations agreed that there was a pressing need to reform the IIA regime. They commended UNCTAD for its analysis of the challenges involved and for its action-oriented solutions, including specific treaty examples. Further, the UNCTAD road map for reform allowed policymakers to choose options that were best suited to their specific policy objectives. Two delegates welcomed the updated Investment Policy Framework for Sustainable Development, which had provided Governments with valuable guidance in formulating new-generation investment policies since 2012.

6. The representatives of some member States underlined the risk of further fragmentation of the IIA regime caused by countries' using different approaches to treaty reform, without proper consultation or coordination. Many delegations said there was a need for a multilateral support structure and underscored the role of UNCTAD as a forum for international consensus-building in support of international initiatives for investment governance reform. UNCTAD had responded to the Addis Ababa Action Agenda mandating it to continue its existing programme of meetings and consultations with member States on IIAs.

7. Many delegates commended UNCTAD for its high-quality technical assistance and capacity-building related to IIAs, enhancing policymakers' capacities to design sustainable-development-friendly agreements.